

FISCAL NOTE

Bill #: HB0062

Title: Revise apiculture laws

Primary Sponsor: Lehman, L

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
State Special Revenue	\$5,233	\$5,233
Revenue:		
General Fund	(\$17,730)	(\$17,730)
State Special Revenue	\$57,321	\$57,321
Net Impact on General Fund Balance:	\$30,373	\$30,373

- | | |
|--|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input checked="" type="checkbox"/> Dedicated Revenue Form Attached | <input checked="" type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

1. Program costs were projected at \$48,103 for FY2004 and \$48,104 in FY 2005 and are included in the Executive Budget at that level.
2. Upon passage and approval of this bill, HB 2 would be amended to switch the \$48,103 and \$48,104 from general fund to state special revenue and to increase the operating expenses by \$5,233 each year funded with state special revenue as requested by the industry.
3. The registration fee will be charged based on the locations of bee hives. Based on current registered locations of 5,211 sites at the proposed fee of \$11 perlocation, \$57,321 of registration revenue will be generated.
4. Other revenue may be derived from certificates of health issuance fees and collection of penalties, but would not represent a dependable or significant budgetable source of revenue.
5. Previously, revenues from fees and penalties of \$17,730 each year were deposited in the general fund. Since program costs were more than collected fees, all of the program costs were funded from the general fund.
6. This legislation creates a new state special revenue account for the Apiary program and the new fees will make the Apiary program self-supporting.

Fiscal Note Request HB0062, As Introduced
(continued)

FISCAL IMPACT:

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
<u>Expenditures:</u>		
Operating Expenses	\$5,233	\$5,233
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	\$5,233	\$5,233
<u>Revenues:</u>		
General Fund (01)	(\$17,730)	(\$17,730)
State Special Revenue (02)	\$57,321	\$57,321
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
General Fund (01)	\$30,373	\$30,374
State Special Revenue (02)	\$3,985	\$3,985

Fiscal Note Request HB0062, As Introduced
(continued)

DEDICATION OF REVENUE:

- a) Are there persons or entities that benefit from this dedicated revenue that do not pay?
(please explain)
No
- b) What special information or other advantages exist as a result of using a state special revenue fund that could not be obtained if the revenue were allocated to the general fund?
A state special revenue fund allows for separate tracking of revenues and expenditures and easier financial monitoring of the program.
- c) Is the source of revenue relevant to current use of the funds and adequate to fund the program activity that is intended? Yes / No (if no, explain)
Yes
- d) Does the need for this state special revenue provision still exist? X Yes No (Explain)
This is a new creation of a special revenue account to support the Apiary (Honey Bees) Program administered by the Department of Agriculture. Creation of a state special revenue account will help the department measure adequate financial support of services provided to industry.
- e) Does the dedicated revenue affect the legislature's ability to scrutinize budgets, control expenditures, or establish priorities for state spending? (Please Explain)
No.
- f) Does the dedicated revenue fulfill a continuing, legislatively recognized need? (Please Explain)
Yes. The intent of HB 62 is to make the Apiary (Honey Bees) program self supporting. The Apiary laws are found in title 80, section 6 of the MCAs.
- g) How does the dedicated revenue provision result in accounting/auditing efficiencies or inefficiencies in your agency? (Please Explain. Also, if the program/activity were general funded, could you adequately account for the program/activity?)
The department uses the same methods of tracking and managing program expenditures whether the source of funding is general fund or special revenue. However, a special revenue account would allow the department to fully evaluate expenditures in light of revenues and to implement timely changes necessary to ensure the Apiary program is self-supporting.